

25—2.5(175) Loan eligibility.

2.5(1) Security for loans. The authority may take security for any loan. The form of security may include, but not be limited to a promissory note, security agreement, or first mortgage.

2.5(2) Loan conditions. Fees and interest rates, loan-to-value ratio, maximum loan amount, amortization period, repayment, prepayment, assumption, and assumption terms of a loan shall be determined from time to time by the authority and shall be contained in the security and servicing documents relating to the loan.

2.5(3) A loan may not be assumed or any interest in agricultural land, agricultural improvements or agricultural depreciable property may not be leased, sold, exchanged or used as a trade-in, used on an equipment-for-hire basis or otherwise conveyed without the prior written consent of the authority. The authority shall not consent to an assumption of its loan or the conveyance of such property subject to its mortgage or security agreement unless the purchaser of the property would be an eligible applicant for an authority loan.

2.5(4) Loan delinquency, foreclosure, and repossession provision shall be determined from time to time by the authority and shall be contained in the security and servicing documents relating to the loan.